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Federal Energy News

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REMARKS PREPARED FOR DELIVERY BY
THE HONORABLE FRANK G. ZARB, ADMINISTRATOR
THE FEDERAL ENERGY ADMINISTRATION, BEFORE THE

WHITE HOUSE CONSUMER REPRESENTATION CONFERENCE
BOSTON, MASSACHUSETTS
FRIDAY, JANUARY 16, 1976, 9:00 AM, EST

Thank you Mrs. Knauer.

I can say on my own behalf that I agree completely with your comments. This series of Consumer Conferences is an excellent way to help begin the celebration of the nation's bicentennial.

The United States was founded on a set of principles and ideals which were unmatched in their time. They are still unmatched today.

Of course, we are a nation of human beings, with all that means in terms of frailty and failure. Yet with all our faults, despite the mistakes of the past, we have been able to survive, to grow as a nation, and to overcome our shortcomings.

It seems to me that a central reason for this survival, this growth, is that the American people have learned to rededicate themselves, again and again, to the principles upon which our nation was founded.



It is our commitment to national rededication that brings us here today. We want to make this government responsive to you. We want to restore integrity and credibility to government, to bring it to the people and open it up to their participation. That is why we have sponsored White House Field Conferences and Domestic Council Town Hall Meetings around the country.

Traditionally, the consumer has had four fundamental rights: the right to safety, the right to be informed, the right to choose, and the right to be heard.

We would like to add a fifth right to this list. The consumer also has a right to consumer education.

It is the last two of these five rights which particularly concern us here today, the right to be heard and the right to receive a consumer education.

The right to be heard means that consumers will be able to take part in the making of decisions which affect their interests, and in the implementation of programs which affect their interests. It also means that when they have a complaint it will be heard and acted upon by the government.

Equally important is the right to consumer education. By emphasizing this, the President committed the government to a major role in supporting programs that will provide the consumer with the information necessary to cope with a complex, rapidly changing marketplace.



But we want to go farther than simply expressing a desire that these rights become a part of the general business climate. We want to take action to see that they become a part of the way government itself operates.

That's as it should be. Every day government agencies make decisions which affect the lives of all Americans, decisions which are often difficult, complex, controversial, and which at times may require painful tradeoffs.

For example, the Department of Agriculture can affect farm employment and consumer prices at home, as well as relations with friends and possible adversaries abroad, with a single decision on overseas sales of U.S. commodities.

The Transportation Department can affect the environment, our energy outlook, and sales and employment in the auto industry by its decisions on rapid transit. If the Department of Housing and Urban Development makes one decision it will affect the way we live, where we live, and how much we pay for a house if it acts in one way, but if an alternative decision is made, the effects will be totally different.

My own organization, the Federal Energy Administration, is no different. We recognize that our decisions will affect the price which Americans will pay to heat and cool their homes, the price of gasoline which runs their automobiles, and even their vacation plans. I can assure you that weighing calculations like these has cost us many a sleepless night.



Decisions, particularly when they affect peoples' lives, are never easy. They require an examination of all the options available, and an in-depth analysis of all their possible ramifications. Sometimes, it seems, they require the wisdom of Solomon, the patience of Job, and the crystal-gazing ability of Jeanne Dixon.

Decisions also require one more thing. They require consumer input, and that -- to a great extent -- is why we are here today. We need your knowledge, and we need your reactions to policy proposals, in order that the government may have a better opportunity to work for the best interests of all the people.

For the input we receive to be as informed as possible, effective consumer education is a prerequisite. The input that you give us is as dependent on the information you receive and the skill with which you interpret that information as our decisions are on our information.

As we discuss our consumer representation programs, I would like you to remember that our plans are not cast in concrete. The entire purpose of presenting them to you is to allow you to inspect them and comment upon them. We are seeking, and will be glad to receive, constructive criticism.

What we are working toward today is the sort of constructive change which will enable the principles upon which our nation was founded to remain a cornerstone of what we do today and in the future.





REMARKS PREPARED FOR MS. HAZEL ROLLINS
DIRECTOR, OFFICE OF CONSUMER AFFAIRS/SPECIAL IMPACT
FEDERAL ENERGY ADMINISTRATION, BEFORE THE

WHITE HOUSE CONFERENCE ON CONSUMER REPRESENTATION
BOSTON, MASSACHUSETTS, JANUARY 16, 1975

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Good morning. Thank you for joining us today.

We at FEA are proud of the plan we have developed for cooperating with consumers. We have already made an effort to get consumer inputs to our decision-making process, by holding 7 meetings for consumers around the country. So our new program, rather than being a departure from previous efforts, is a natural continuation of our established policy.

In formulating the new program, we went over all of the plans existing at FEA for consumer representation, examined the effectiveness of each, and then made recommendations for a comprehensive agency plan.

First of all, we have gotten a firm commitment from FEA's Administrator to issue guidelines on improving consumer participation in FEA program and policy development. This sort of support at the top is vital to the success of any program.



Then, with the Administrator's support behind us, we have established clear guidelines for better consumer representation.

First, we are examining the composition of all FEA Advisory Committees to ensure adequate consumer representation on each. New procedures will be worked out to ensure that future selection of members keeps the goal of more effective consumer representation in mind.

Second, we are taking action to ensure that consumer complaints will become an information and guidance tool in making our decisions.

To see that it does, we will set up a computerized consumer complaint and correspondence system, to provide data on the energy problems of consumers by type of complaint and by consumer location. The data collected will be circulated regularly to all program offices for use in policy and program planning, implementation, and evaluation.

Third, each of our regional CA/SI officers will conduct state Consumer Energy Workshops, in conjunction with the National Office, in order to provide a forum for the exchange of ideas and information, and to obtain input on proposed FEA programs and policies from all interested consumer groups and citizens.

The Office of Energy Resource Development will also conduct special hearings in those areas where energy resource development has the potential to create boom



conditions, with the goal of relieving any adverse social and economic impacts which may result from rapid growth.

Fourth, each office within FEA will have standing arrangements that provide, to the fullest extent practicable, for consultation and exchange of views with interested or affected persons or organizations, with regard to development or revision of major policies or programs prior to final decision-making.

Fifth, FEA will insure adequate notice of proposed changes in rules, regulations, and orders by providing the maximum possible notice of hearings in the Federal Register, and by distribution of news articles to the national and local press, periodicals and broadcast news media.

Sixth, we will use our staff to develop consumer information and analytical materials.

Assistant Administrators and Office Directors within the agency will provide policy or technical information concerning major proposals and other important programs or policy actions at the earliest practicable time, and at places easily accessible to interested or affected individuals or organizations.

In addition, they will be responsible for informing consumers about the availability of such materials, to enable them to make informed and constructive contributions to the agency's decision-making process.



Special efforts will be made to summarize and explain complex technical materials for public and media use.

Any office initiating a program or policy action will provide a response to interested or affected individuals and organizations which have made recommendations and suggestions regarding those policies -- other than comments on rulemaking -- within a reasonable period of time after receipt of the recommendations.

Seventh, if the FEA prepares an evaluation of the inflationary impact of a major proposal under Executive Order 11821, the responsible officials will indicate that an evaluation of consumer impact has been made containing an analysis of the principal direct cost and price effects on consumers, and, where practicable, an analysis of secondary cost and price effects as well. These analyses will contain as much quantitative data as practicable

We will also provide an analysis of the positive benefits of proposed action, again, quantified to the greatest extent practicable.

Eighth, FEA will increase the availability of materials containing consumer information as soon as possible, and at places easily accessible to those interested or affected by our actions. Moreover, we will take steps to inform the public of the availability of this information through consumer organizations, press releases, and speeches by FEA officials.



Ninth and last, we will make use of the media to solicit consumer input and to inform the public of agency decisions and their impact.

This will be done through increasing accessibility of mailing lists to consumers, through public appearances by key officials outlining the opportunities for consumer input and influence on agency decisions, and through wider dissemination of information on opportunities to participate through national periodicals, newsletters, and other news media.

The series of public meetings to be held this year on the plan and the guidelines are themselves a part of this effort to obtain maximum consumer input.

Well, those are our plans for increasing consumer representation. As Mr. Zarb's presence here today makes clear, the FEA regards this as a vital part of its mission. I will be interested to hear the representatives of other agencies describe their plans, and I look forward to hearing your comments on ours.

Thank you.

